

PUBLIC UTILITY COMMISSION OF TEXAS

OPEN MEETING AGENDA TUESDAY, FEBRUARY 16, 2021, 1:00 P.M. Commissioners' Hearing Room 7th Floor, William B. Travis Building

The public may participate in this open meeting remotely by audio conference through a toll-free number: (877) 226-9790 using the access code 7849516#.

In accordance with section 551.045 of the Texas Government Code, the Public Utility Commission of Texas is giving notice that it will convene a meeting to address an emergency and urgent public necessity. The Polar Vortex unleashed a polar airmass that has settled on much of the Nation and has brought historically low temperatures to Texas. This frigid airmass, in combination with other weather systems, has produced historically low temperatures, ice storms, and record snow falls. Governor Greg Abbott on February 12, 2021 certified that this severe winter weather poses an imminent threat of widespread and severe property damage, injury, and loss of life due to prolonged freezing temperature, heavy snow, and freezing rain statewide. To address this threat, the Governor Abbott declared a state of disaster in all 254 counties of Texas and suspended upon his approval regulatory matters that would hinder or delay necessary action to cope with this disaster. These severe weather events and other events have affected many things, including the wholesale price of electricity and the price of natural gas, a major fuel for electric generation. The effect has been curtailments in the electric generation fleets committed to the electricity market in the region of the Electric Reliability Council of Texas (ERCOT). This has caused ERCOT to issue an Emergency Energy Alert 3, which resulting in the shedding of customer load. The absence of these generation units has resulted in millions of citizens of Texas losing electricity at a time when this energy is most needed to protect life and property. It is expected that this emergency alert will remain in place for a period of time given the duration of this weather event.

The convening of this meeting is necessary to allow the Commission to address the imminent threat to public health and safety due to this loss of electricity for millions of citizens in the ERCOT region. The Commission must determine whether it should exercise its authority under section 39.151 of the Public Utility Regulatory act to ensure that the electricity market provides clear signals to generators of the value of generation when customer loads must be shed to protect the ERCOT system, and to ensure that the citizens of Texas have sufficient electricity to meet their needs during this weather event. And to consider whether the system demand component of energy prices should be set at the system-wide offer cap when firm load is being shed. The Commission must also consider whether it is appropriate during this disaster period, if the peaker net margin threshold established in 16 Texas Administrative Code § 25.505 is achieved, that the system-wide offer cap be reset to the low system-wide offer cap or that requirement be waived. Without such decisions, the continuing lack of electricity for some of the citizens of Texas could result in loss of life or damage to property that otherwise could be prevented.

Due to the emergency conditions resulting from this disaster declared by the Governor, these matters cannot wait for the Commission's next regularly scheduled open meeting on February

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25, 2021. Accordingly, the Commission must meet promptly by telephone conference call to discuss and possibly take action, including the issuance of orders, to require the sale of electricity to meet the demands of people in Texas.

As required by a previous disaster declaration and suspension of open meeting laws by Governor Abbott, The Commission will meet by telephone conference call. The number by which members of the public may make public comments at this meeting will be posted on the Commission's website located at www.puc.texas.gov.